
ERICSSON RELEASES ANNUAL SUSTAINABILITY AND CORPORATE RESPONSIBILITY REPORT

- Summarizes Ericsson's activities and achievements during 2011
- Highlights ICT's potential to solve energy, environmental and social challenges
- Ericsson advocates the use of technology for good to deliver lasting, positive change in the Networked Society

Ericsson's (NASDAQ:ERIC) annual Sustainability and Corporate Responsibility report entitled "Technology for Good", released today, confirms the company's belief on the transformational power of Information and Communications Technology (ICT) to spur socio-economic development and put us on the path of a low-carbon economy has never been greater.

Hans Vestberg, Ericsson President and CEO, commented "We anchor our approach to sustainability and corporate responsibility in the triple bottom line of responsible social, economic and environmental development. We continuously raise the bar on our own sustainability performance, and seek to deepen our understanding of stakeholders' top concerns. This way of doing business is essential to our success."

Highlights of the report include:

Energy efficient solutions

The ICT industry can help lead the transition to a low-carbon economy through greater resource efficiency. The ICT sector contributes about 2 percent of global carbon dioxide emissions, but can potentially offset a significant portion of the remaining 98 percent from other industries. Ericsson's research indicates that the increase in overall energy consumption from ICT will be moderate, thanks to gains in network energy efficiency, through 2020. Some efforts we have made on the networks include

- Ericsson has increased 3G/4G energy efficiency by 85 percent in base stations over the last decade, while continuing to meet the bandwidth demands of the Networked Society, without increasing energy consumption per subscriber.
- The Ericsson "Psi" -Coverage solution provides Mobile Broadband (3G) coverage with 45% energy savings compared to traditional solutions. "Psi"-Coverage uses new Ericsson technology to boost coverage while enabling significant energy and cost savings by using just one standard radio.

Sustainable cities and urbanization

- Ericsson recognizes the increasingly important role of cities in future sustainable development. By 2016, densely populated urban areas representing less than 1

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percent of the Earth's total land area will generate around 60 percent of mobile traffic. To increase network capacity in such areas, we will build heterogeneous networks, whereby powerful macro-radio base stations are complemented by smaller pico and micro base stations, which provide extra capacity for areas with high demand. With a nearby low power node, we can off-load the high power nodes, thus saving energy.

- Ericsson became a founding member of the New Cities Foundation, a non-profit Swiss institution dedicated to improving quality of life and work in a 21st century global city. Ericsson is leading work group on commuting trends, and many new and innovative discussions will take place at the inaugural New Cities Summit, May 14-16, in Paris.

In 2011, Ericsson's CEO chaired the Climate Change Working Group of the Broadband Commission, which delivered a report that made high-level policy recommendations on ICT's role in tackling climate change, "The Broadband Bridge: Linking ICT with Climate Action for a Low-Carbon Economy."

Socio-economic development

Connectivity is a basic enabler for economic growth and improved quality of life. ICT facilitates education, financial services, health, safety and security, and livelihoods. With more than six billion mobile subscriptions, innovative approaches are needed to address the "last" billion users at the base of the pyramid. Ericsson focused on two reports, and a number of initiatives, to highlight this potential:

- A study conducted jointly in 2011 by Ericsson, Arthur D. Little and Chalmers University of Technology in Sweden in 33 OECD countries quantified the isolated impact of broadband speed, and showed that doubling the broadband speed for an economy increases GDP by 0.3 percent.
- A report "Leveraging Information and Communication Technology for the Base of the Pyramid" reviewed 280 initiatives and identified key success factors for creating positive socio-economic impacts.
- We progressed in key initiatives in the areas of refugee reunification, and Connect to Learn, which celebrated one year of progress, with some 5,000 students in Africa now having access to ICT, and more than one million USD raised in scholarships.

Business Ethics

Our stakeholders expect Ericsson to uphold high standards within business ethics. While telecommunication can enable many positive impacts, Ericsson also recognizes that technology can be misused, which brings new ethical challenges. We seek to encourage the use of technology as a force for good rather than a tool that can be used against democratic principles, and during 2011 we committed to work actively with the new UN Guiding Principles for Business and Human Rights, and strengthened internal due diligence processes in light of this.

"We work with diverse stakeholders to help transform Technology for Good into reality, with concrete initiatives and innovative solutions, research, advocacy and social media outreach that serve as a catalyst for change," says Elaine Weidman-Grunewald, Vice President

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Sustainability and Corporate Responsibility, Ericsson. Visit our [website](#), read our [report](#) and join us on [Facebook](#) and [Twitter](#) to learn more about our initiatives and progress.

NOTES TO EDITORS

Pictures of Hans Vestberg available at:

www.ericsson.com/thecompany/press/photolibrary/management

Pictures of Elaine Weidman available at:

www.ericsson.com/res/thecompany/images/press/photos/lake_victoria/phase2/elaine_weidman_h.jpg

Ericsson's Sustainability and Corporate Responsibility website:

www.ericsson.com/thecompany/sustainability_corporateresponsibility

Our multimedia content is available at the broadcast room:

www.ericsson.com/broadcast_room

Ericsson is the world's leading provider of communications technology and services. We are enabling the Networked Society with efficient real-time solutions that allow us all to study, work and live our lives more freely, in sustainable societies around the world.

Our offering comprises services, software and infrastructure within Information and Communications Technology for telecom operators and other industries. Today more than 40 percent of the world's mobile traffic goes through Ericsson networks and we support customers' networks servicing more than 2 billion subscribers.

We operate in 180 countries and employ more than 100,000 people. Founded in 1876, Ericsson is headquartered in Stockholm, Sweden. In 2011 the company had revenues of SEK 226.9 billion (USD 35.0 billion). Ericsson is listed on NASDAQ OMX, Stockholm and NASDAQ, New York stock exchanges.

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